AMENDED IN ASSEMBLY JULY 2, 1997 AMENDED IN SENATE MAY 8, 1997

SENATE BILL

No. 1320

Introduced by Senator Hurtt

February 28, 1997

An act to amend Section 43845 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 1320, as amended, Hurtt. Parking cash-out programs.

(1) Existing law requires, in any air basin designated by the State Air Resources Board as a nonattainment area, each employer of 50 persons or more who provides a parking subsidy for employees to offer a parking cash-out program.

Existing law authorizes those programs to condition employee participation on compliance with employer guidelines designed to avoid neighborhood parking problems.

This bill would authorize those guidelines to also be designed to avoid problems related to alternative nearby parking.

(2) Existing law declares the intent of the Legislature that the cash-out requirements apply only to employers who can reduce, without penalty, paid parking spaces and instead provide the cash-out option.

This bill would delete the declaration of legislative intent and instead provide that the cash-out requirements apply only to employers who can reduce,

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without penalty, paid parking spaces and instead provide the cash-out option.

The bill would exempt additional employers from the cash-out requirements, as prescribed.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 43845 of the Health and Safety Code is amended to read:
- 3 43845. (a) In air basin designated any nonattainment area pursuant to Section 39608, employer of 50 persons or more who provides a parking subsidy to employees shall offer a parking cash-out "Parking cash-out program" program. means under 8 employer-funded program which employer an offers to provide a cash allowance to an employee
- 10 equivalent to the parking subsidy that the employer would otherwise pay to provide the employee with a

12 parking space.

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- (b) A parking cash-out program may include 14 requirement that employee participants certify that they 15 will comply with guidelines established by the employer 16 designed to avoid neighborhood parking problems and problems related to alternative nearby parking, with a employees not complying with 18 provision that guidelines will no longer be eligible for the parking 20 cash-out program.
 - (c) As used in this section, the following terms have the following meanings meaning:
 - (1) "Employee" means an employee of an employer subject to this section.
- (2) "Parking subsidy" means the difference between 25 26 the out-of-pocket amount paid by an employer on a regular basis to secure the availability of an employee 27 parking space not owned by the employer and the price, 29 if any, charged to an employee for the use of that space.

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(3) "Uncontrolled parking" where means parking ingress and egress is not monitored or where access is not restricted.

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- (d) Subdivision (a) does not apply to any of the following:
- (1) Any employer who, on or before January 1, 1993, has leased employee parking, until the expiration of that lease or unless the lease permits the employer to reduce, without penalty, the number of parking spaces subject to the lease.
- (2) Any employer who leases uncontrolled parking for use by employees at the worksite.
- (3) Any employer whose worksite is located within 14 one-fourth mile of free alternative parking that can be 15 readily accessed and used by employees in lieu of the 16 employer's leased parking spaces.
- (4) Any employer where less than 10 percent of the 18 employees have accepted the employer's parking cash-out offer.
 - (5) Any employer whose parking subsidy per parking space is equivalent to eighty dollars (\$80) per month or less.
- (e) Subdivision (a) shall apply only to employers who 24 can reduce, without penalty, the number of paid parking spaces they maintain for the use of their employees and instead provide their employees the cash-out option described in this section.
- (f) Subdivision (a) shall not apply to any employer 29 until the Internal Revenue Code is amended to treat an 30 employee's parking space as a qualified transportation 31 fringe benefit excluded from gross income, subject to the 32 limitation on the exclusion contained in paragraph (2) of subsection (f) of Section 132 of Title 26 of the United 34 States Code, when that employee declines to accept the employer's parking cash-out offer.
- (g) If an employer's facility is in compliance with a 37 district regulation that provides employers with a menu of options for reducing mobile source emissions, and that menu includes parking cash-out, the employer shall be deemed to be in compliance with subdivision

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1 However, compliance with such a district regulation shall 2 not constitute compliance with any mandatory parking 3 cash-out requirement imposed by a congestion 4 management agency unless expressly so provided by the 5 congestion management agency.

6 (h) Notwithstanding any other provision of this 7 section, subdivision (a) shall apply to any employer 8 located in a commercial development that was granted a 9 reduction in parking requirements pursuant to 10 subdivision (d) of Section 65089 of the Government 11 Code.